## REMARKS/ARGUMENTS

Fig. 3 is amended to correctly identify various layers including adhesive layer 3 and SiO<sub>2</sub> layer 5. Withdrawal of the objections to the drawings is respectfully requested. Claims 1-8 remain pending in this application and stand rejected. Claims 1-2 stand rejected under 35 U.S.C. §102(b) as being anticipated by Bryan (U.S. Pat. No. 6,151,153) ("Bryan"). Claims 3-5 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Bryan in view of Holman *et al* (U.S. Pat. No. 6,832,769) ("Holman"). Claims 6-8 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Bryan and Holman in view of Nakamura *et al* (U.S. Pat. No. 6,346,164) ("Nakamura"). Claims 1-8 also stand rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over Chen *et al* (U.S. Pat. No. 6.866,887) ("Chen") in view of Bryan. In view of the foregoing amendments and the following remarks, reconsideration of the rejections of claims 1-8 is respectfully requested.

Claim 1 is amended to recite, in part, "applying a composition of electro-optic sensor material as a layer over the transparent electrode without using a transfer substrate". Support for this amendment is provided, for example, on page 4, lines 4-13, and Fig. 1. Because the elettro-optic sensor material 4 is applied without using a transfer substrate, no adhesive layer exists between elettro-optic sensor material 4 and glass substrate 6 on which electrode 7 is formed. Silicon dioxide layer 5 which is an optional layer, also shown in Fig. 1, is described, in part, on page 3, line 27 of the original disclosure.

"The PDLC 4 is a directly applied coating on an optional layer of silicon dioxide 5..."

In contrast, in Bryan the electro-optic sensor material is applied using a transfer substrate (see, for example, column 2, lines 33-51 of Bryan). The transfer substrate used by Bryan to apply the electro-optic sensor material to the glass substrate requires the use of an adhesive. Accordingly, a shown in Fig 2 of Bryan, an adhesive layer 222 exists between electro-optical modulator 220, and electrode 224 formed on substrate 226:

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"As previously described electro-optical element 201 includes an electro-optical modulator material 220, an adhesive layer 222, an electrode 224, a substrate 226, an anti-reflective coating (ARC) 228, and a pellicle assembly 230....." (5:12-15)

As is known, the adhesives may degrade the performance of an electro-optical modulator. Because claim 1 does not use a transfer substrate and thus avoids the use of adhesives, the electro-optical sensor of claim 1 advantageously does not suffer from adhesive-related problems. Claim 1 is thus allowable over Bryan. Claims 2-8 are dependent from claim 1 and are thus allowable for at least the same reasons as is claim 1.

## **DOUBLE PATENTING**

Applicants submit herewith a *Terminal Disclaimer to Obviate a Double Patenting Rejection over a Prior Patent* in response to the rejection of claims 1-8 under the judicially created doctrine of obviousness-type double patenting. This basis for rejection is thus believed to be moot.

## CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested.

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If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at (650) 752-2424.

Respectfully submitted,

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## **Amendments to the Drawings:**

Replacement drawing sheet 3 includes changes to Fig. 3. A copy of the unamended drawing sheets 1 and 2 is also attached.